PIPER & MARBURY

L.L.P.

1200 NINETEENTH STREET, N.W. WASHINGTON, D.C. 20036-2430 202-861-3900

WRITER'S DIRECT NUMBER (202) 861-6471 FAX: (202) 861-4160

FAX: 202-223-2085

BALTIMORE NEW YORK PHILADELPHIA EASTON

Cooks The Company

February 14, 1997

FEB 1 4 1997

The secondary

HAND DELIVERY

William F. Caton **Acting Secretary** Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

Re:

Reply Comments of PSINet Inc.

Access Charge Proceeding, CC Dkt. No. 96-262, et al.

Dear Mr. Caton:

Attached please find an original and 16 copies of the Reply Comments of PSINet Inc. for submission in the above-captioned proceeding. Also attached is a diskette containing the Reply Comments.

Should you have any questions, please contact the undersigned.

Sincerely,

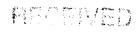
Mark J. O'Connor

/mio

Enclosures

No. of Copies rec'd ______

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554



FEB 1 4 1997

In the Matter of	en ang ang ang ang ang ang ang ang ang an	i.,
Access Charge Reform) CC Docket No. 96-262	
Price Cap Performance Review for Local Exchange Carriers) CC Docket No. 94-1	
Transport Rate Structure and Pricing) CC Docket No. 92-213	
Usage of the Public Switched Network by Information Service and Internet Access Providers) CC Docket No. 96-263	

Reply Comments of PSINet

Ronald L. Plesser Mark J. O'Connor James J. Halpert

Piper & Marbury L.L.P. 1200 Nineteenth Street, N.W. Suite 700 Washington, D.C. 20036 202-861-3900

Attorneys for PSINet Inc.

February 14, 1997

TABLE OF CONTENTS

Introd	uction a	and Summary	PAGE 1				
I.		How PSINet Uses the PSTN					
П.		ss Charges: The RBOCs Should Pay To Improve Their Networks	3				
	A.	Incumbent LECs Earn Significant Revenue from Internet Usage	4				
	B.	The Incumbent LECs Sold the Services, They Should Have Anticipated The Increased Traffic	7				
	C.	Access Charges Would Devastate Competition in the Internet Access Market	9				
III.	SLC	Caps Should Encourage Efficient Data Transport	11				
Conc	lusion		12				

PSINet Inc. February 14, 1997

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

FEB 1 4 1997

In the Matter of)	
Access Charge Reform) CC Do	cket No. 96-262
Price Cap Performance Review for Local Exchange Carriers)) CC Do	cket No. 94-1
Transport Rate Structure and Pricing) CC Do	cket No. 92-213
Usage of the Public Switched Network by Information Service and Internet Access Providers) CC Do	ocket No. 96-263

Reply Comments of PSINet

Introduction and Summary

PSINet Inc., by its attorneys, hereby replies to the comments filed in response to the Notice of Proposed Rulemaking¹ ("NPRM") in the above-captioned dockets.²

PSINet supports the Commission's tentative conclusion not to impose access charges on providers of Internet services. In PSINet's view, the incumbent local exchange carriers ("LECs") are already adequately compensated for the many local services purchased by Internet service providers and their customers. With the increase in sales of these services to Internet providers and their customers, the incumbent LECs -- like any business selling capacity -- should have

Notice of Proposed Rulemaking, Third Report and Order, and Notice of Inquiry, CC Dkt. Nos. 96-262, 94-1, 91-213, 96-263 (rel. Dec. 24, 1996).

PSINet is a founding member of the Commercial Internet eXchange Association ("CIX") and it concurs with the CIX comments and reply comments filed in this proceeding.

anticipated the increase in traffic. To the extent that they now experience congestion issues in places where they have sold vast amounts of capacity (and obtain significant increased revenue), it is up to them to engineer solutions for their network. A regulatory intervention, through a federally mandated and non-cost-based access tax, is not the solution. Moreover, access charges would force independent providers like PSINet to pay out to the LEC, while the RBOC Internet affiliate would not be similarly taxed -- its access charges would simply flow from one LEC pocket to the other. This impact on the flourishing Internet access market is likely to eliminate effective competition, reduce the variety of Internet services to the public, and encourage RBOC dominance of this market.

Finally, PSINet opposes increases to the SLC caps and assessment of a separate SLC for each ISDN virtual channel. The Commission's proposed SLC charges would effect a significant burden on data users and data providers at a time when it is critical to maintain or even lower the cost of service in order to increase Internet connectivity.

I. How PSINet Uses the PSTN

PSINet was the first commercial Internet service company, and is a leading provider of Internet services and Internet access in the United States and abroad. Its customers are business and institutional users that demand high-speed access to the Internet. The PSINet network is a TCP/IP-based routed infrastructure built upon a redundant switching fabric and consisting of 320 points of presence throughout six countries connected together and to the Internet by T1 and T3 dedicated lines. PSINet deploys a variety of technologies in each network office, including ATM, ISDN and SMDS compatible frame relay switches, packet routers, and high-speed digital modems. For the customer, the PSINet network offers a high-speed, low latency network that can maximize the security of communications, that is fully capable of multimedia applications, and that can prioritize the customer's bandwidth use. PSINet competes and succeeds in the highly competitive Internet marketplace against both small and very large communications companies, including RBOCs, because of the strength of its service offerings and data network,

and because PSINet's employees and management are uniquely experienced in the Internet. In addition to Internet access, PSINet offers its customers a host of Internet-related services, including Windows and Macintosh software applications to facilitate Internet use, World Wide Web site design and hosting services, as well as Internet access security services.

PSINet's Internet access business employs the PSTN in two significant ways. First, some customers use PSTN dial-up access to connect to PSINet;³ other customers use T1 or T3 private lines (provisioned by the incumbent LEC or alternative providers). Second, PSINet receives PSTN customer traffic through LEC lines using ISDN PRI services.⁴ Generally, PSINet's offices are located so that the PSTN connection from the customer to PSINet is an intra-state local call. PSINet also purchases significant numbers of dedicated private lines from incumbent LECs. As a result of these access arrangements connecting PSINet to its customers, PSINet is a leading customer of every RBOC in the country. Given that market position, the issue of access charges for Internet traffic is of enormous significance to PSINet, as are the allegations of Internet-related congestion on the PSTN.

II. Access Charges: The RBOCs Should Pay To Improve Their Own Networks

PSINet believes that forcing ISPs to pay incumbent LECs additional money for access to the PSTN is wholly unwarranted. <u>See NPRM</u> at ¶ 288. Incumbent LECs already derive more

These customers typically purchase business lines from the incumbent LEC, which more than recover the LECs' costs of provisioning that line and may or may not be usage-based, depending on the LEC's state tariff. In addition, many customers also purchase ISDN services from the LEC. As is well known, the incumbent LEC's ISDN pricing is not only above-cost, they have priced the service so high that many question the LECs' commitment to efficient data services.

NYNEX's conclusory statement that "ISPs gain access to their customer base via dial-up connections purchased from local exchange companies" grossly mischaracterizes the ISDN PRI prices that PSINet and other ISPs pay to the incumbent LECs. Letter from Kenneth Rust, NYNEX, to James Schlichting, FCC, at 1 (July 10, 1996) ("NYNEX ESP Letter"). See Exhibit 1 (Price list of Bell Atlantic, Pacific Bell and US West ISDN PRI services).

than sufficient revenue from ISPs and their customers. RBOC revenues and profits have continued to grow and consistently increase from year-to-year due in no small part to the very Internet usage of which they now complain. If the PSTN network is congested with Internet traffic (and that is doubtful), then such congestion as there is simply results from a failure of some incumbent LECs to reasonably engineer for changes in traffic levels when they sold that additional access capacity. With RBOC profits and revenues as high as they are, the issue should be resolved through more intelligent RBOC network planning. It should not require a federal access tax on ISPs and their customers in order for the highly profitable RBOCs to make PSTN network improvements.

A. Incumbent LECs Earn Significant Revenue from Internet Usage

The commenters advocating an ISP access charge essentially claim that ISPs do not pay enough to support their use of the PSTN.⁵ This argument is premised on the faulty assumption that ISPs gain access to the PSTN for free, because ISPs and their customers do not pay federal interstate IXC access charges when a call is connected from a customer to a local ISP office. This position completely ignores that both ISPs and their customers pay the incumbent LEC for a host of various PSTN services. The local services are not required to be provided at confiscatory low rates, do not discriminate as compared with other users of local services, and provide a significant share of revenues and profits for the incumbent LEC.⁶

Incumbent LECs derive revenues from Internet providers through the sale of a number of different services. The studies of some RBOCs concluding that Internet usage yields an "average

⁵ See, e.g., Comments of US West at 83-84; Comments of USTA at 82; Comments of Communications Workers of America at 6-7.

⁶ See, Comments of the Internet Access Coalition, "The Effect of Internet Use on the Nation's Telephone Network," by Lee Selwyn and Joseph Laszlo (Jan. 22, 1997) ("IAC Report"), and Reply Comments of the Commercial Internet eXchange Association at 4-8.

tariff rate of about \$17 per month," or "\$20 per month per access line (including EUCL)" completely distort the compensation the incumbent LECs actually receive from ISPs and their customers. For example, PSINet uses PRI ISDN service to connect each of its offices to LEC end offices. Pacific Bell's PRI ISDN service costs \$220-270 per month, \$750 for installation, plus the cost of a DS1 or DS3 line; US West's PRI ISDN service costs between \$2,120 and \$2,160 per month, with a nonrecurring charge of \$3,972; Bell Atlantic's PRI ISDN service costs between \$405 to \$850 per month, plus a \$700 installation charge. See Exhibit 1 (Price Lists for ISDN from Pacific Bell, US West, and Bell Atlantic and NYNEX web-sites). Customers ordering ISDN BRI also pay considerably more than \$17 to \$20 per month for their incumbent LEC service. Id. ISPs oftentimes order hundreds of business lines, as well as T1 lines, to handle the high traffic volumes. Finally, the RBOC studies on Internet usage fail to include ISPs' purchases of such services as CENTREX and Direct Inward Dialing in their assessment of the revenues generated by ISPs and their customers.

The RBOCs' very contention that the additional analog business and residential lines are somehow unprofitable, ¹⁰ even without expensive ISDN BRI services, is itself suspect. Pacific Bell marketing efforts contradict this, and suggest that profits are generated by analog second line sales to Internet users. For example, it recently offered five months of free unlimited Internet access to all purchasers of second lines. <u>See</u> Exhibit 2 (Letter to Palo Alto, CA

Report of Bell Atlantic Study on Internet Traffic at 14 (June 28, 1996) (the "Bell Atlantic ESP Report").

Pacific Bell ESP Impact Study, at 1 (July 2, 1996) (the "Pacific Bell ESP Report").

In its Report to the FCC, Bell Atlantic asserts -- without any supporting documentation -- much lower costs than these prices would suggest: "monthly cost per subscriber line for PRI circuits is estimated to be \$50." Bell Atlantic ESP Report at 14.

^{10 &}lt;u>See</u> Comments of Pacific Telesis at 77 ("the costs of second lines used with Internet access exceed the flat rates that Pacific Bell receives for the lines").

residence from Mark Pitchford, VP-Pacific Bell). Similarly, Bell Atlantic has two separate promotions offering free unlimited Internet access; one such promotion *requires* an analog line connection and excludes ISDN users. <u>Id</u>. (Bell Atlantic "30 Days of Free Unlimited Access" and "Gift Plan" Programs). Obviously, Bell Atlantic and Pacific Bell can afford to offer such significant Internet access give-aways only because they derive significant net revenue from the second line. As detailed by the IAC Report (at 25-26), the RBOCs themselves (outside the FCC proceedings) attribute significant revenue and growth to the increase in demand for second lines.

Consistent with this evidence, PSINet has performed its own internal analysis of RBOC revenues/profits and the increase in access lines sold. See Exhibit 3 (PSINet Analysis). This analysis, derived from the incumbent LECs' Annual Reports and SEC 10K reports, demonstrates that profits have consistently risen as the incumbent LECs' sales of access lines have increased. Starting in 1994, when Internet usage began to explode in the U.S., 12 the RBOCs' revenues and total dividends have steadily risen. This study confirms that the RBOCs have generated significant revenues and profits as they enjoy a monopoly hold on the local PSTN services necessary to connect ISPs to their customers.

The PSINet Analysis also demonstrates that the RBOCs have and continue to enjoy massive revenues and profits from the provision of local telecommunications services, especially relative to the costs of the switch and network improvements that they now complain they must

Significantly, these promotions apparently subsidize service that is competitive (Internet access) with a service that is not (second lines), and so raise issues of compliance with the Section 254(k) prohibition, which provides that a telecommunications company "may not use services that are not competitive to subsidize services that are subject to competition." 47 U.S.C. § 254(k).

See IAC Report at 28 (Figure 4); see also, "Trends in Telephone Service," IAD - CCB, Federal Communications Commission at 28, Table 18 (May, 1996) (in 1994, percentage of homes with additional lines climbed to 12.3%, from 9.4% in 1993).

make because of Internet use. For example, while Pacific Telesis in 1995 had operating revenues of over \$9 Billion and paid a total dividend to its shareholders of approximately \$930 million, ¹³ it complains that it cannot afford \$2.6 million in switch improvements and \$11 million in PRI ISDN investment costs for which, as discussed above, it is generously compensated. ¹⁴ In comparison, PSINet and the vast majority of other independent ISPs have nowhere near the operating revenues, profits or capital to pay access charges to improve the RBOC networks. In fact, while PSINet is one of the leading independent Internet providers in the country, its average total annual revenues for 1993 through 1995 are approximately \$21 million, with average total annual assets of approximately \$78 million.

B. The Incumbent LECs Sold the Services, They Should Have Anticipated The Increased Traffic

As shown above, the RBOCs have for several years now posted consistent increases in access line sales. Judging from the Internet traffic studies of some RBOCs, they know the ISPs in their areas because they sell the ISPs a host of ISDN services, multiline hunt group services, multiple business lines, etc. If the incumbent LECs had been in a market subject to the pressures of competing providers, those increases in business would have logically induced improvements in switch capacity responsive to changes in customer demand, network solutions to minimize congestion, and overall reinvestment in the network. The RBOCs, however, are not in a competitive market. Consequently, and so, while profits and dividends to RBOC shareholders were consistently posted year after year, the network congestion issue that they raise before the Commission within the last few months suggests that the increased revenues and profits did not go to building network improvements.

^{13 &}lt;u>See Exhibit 3 (Pacific Telesis Chart).</u>

Pacific Bell ESP Report at 2.

However, the switch congestion issues alleged by some incumbent LECs provide no reasonable basis for imposing current non-cost-based access charges on Internet traffic. While the RBOCs' own evidence of network congestion is sketchy and inconclusive, if any problem exists, it is a product of the RBOCs' own making. The incumbent LECs, not the Internet community, sell second lines and business lines and make decisions about how best to handle increases in traffic at their local switch. While selling this excess capacity for the past several years, the incumbent LECs that now complain perhaps should have reinvested in making their network more responsive to their Internet customers and better able to handle the increase in Internet traffic. The incumbent LECs who complain of congestion apparently did not do so. ¹⁶ The consequences of those decisions, however, should not now be paid for through access charges on Internet end users.

Moreover, to encourage the incumbent LECs to behave like competitive businesses, the Commission must not accept arguments premised on the monopoly view that all PSTN investment is riskless, and requires the force of additional mandatory federal access taxes. This view pervades some RBOCs' approach to Internet usage of the PSTN. For example, NYNEX fretfully reports to the Commission that the purchase of business lines for Internet service is "increasing about 10% per month;" 17 if NYNEX would invest in its network to capture that

The unlimited, free Internet access promotions of Pacific Bell and Bell Atlantic (see Exhibit 2) cast significant doubt on these companies' actual concern about alleged PSTN congestion. We also note that Pacific Bell offers unlimited Internet access as part of its ISDN BRI "Home Pack" offering. See Exhibit 2 (Pacific Bell Home Pack bundles ISDN BRI with unlimited Internet access for \$49.95).

PSINet notes that not all incumbent LECs have proposed access charges on ISPs. While Pacific Bell, NYNEX, Bell Atlantic, US West have all filed "congestion studies" and urge an ISP access charge, BellSouth disagrees that such an access charge is appropriate. Comments of BellSouth at 87. Moreover, Ameritech and GTE have been silent on this issue.

NYNEX ESP Letter at 1.

demand and handle the increased traffic, as any competitive business would, there would be no need to raise the "problem" to the Commission. Similarly, Pacific Bell (with Third Quarter, 1996 operating revenues at over \$2.4 billion) worries that "[e]xpenses planned for the remainder of the year include another \$11 million to meet forecasted ESP demand for ISDN Primary Rate." With Pacific Bell's PRI ISDN rates set at \$220-270 per month (plus \$750 for installation and separate fees for the DS1 or DS3 line), an \$11 million network investment to meet *predicted* market demand is a positive, not negative, asset to their network. Clearly, some RBOCs are concerned with Internet usage not because it is unprofitable, but because it requires them to take investment risks in the PSTN *before* they have a regulated, assured return on investment. This monopoly perspective on the PSTN should not be encouraged by the Commission, nor should it distort the unregulated, highly competitive market for Internet access.

C. Access Charges Would Devastate Competition in the Internet Access Market

Access charges levied against Internet providers, especially the current non-cost-based charges, would fundamentally alter today's highly competitive Internet access market. With the RBOCs actively promoting their own intra-LATA Internet access services, either on an integrated basis or through a separate subsidiary, access charges would severely tilt that competitive market to the advantage of the incumbent LEC. In effect, independent ISPs like PSINet would be forced to pay their incumbent LEC competitors additional above-cost rates even though they currently pay for what they use. The incumbent LEC, of course, can well afford ISP access charges at almost any rate because it is merely an accounting ledger change for one affiliate to pay another. This ability of the incumbent LEC to raise rivals' costs in the Internet access market is likely to lead to a reduction in the number of independent ISPs, a

Pacific Bell ESP Report at 2.

concentration of Internet access market power with the RBOC, ¹⁹ and a reduction in the variety of service offerings currently available to the public.

The Commission's rules would not adequately safeguard the Internet access market against incumbent LECs' anti-competitive use of access charges. The Computer III safeguards for RBOC entry into the provision of enhanced services simply did not contemplate that the RBOC would be able to impose access charges on ESP competitors. Further, the Section 272 inter-LATA safeguards do not apply to RBOC activities in the intra-LATA Internet access market. Moreover, while the Commission has noted that an important mechanism in the safeguard for exchange access is the "ability of competing carriers to acquire access through the purchase of unbundled elements," that safeguard mechanism would not work in the Internet access market because the Commission has concluded that information providers are not entitled to Section 251 unbundling. Consequently, imposition of access charges on ISPs would only serve to encourage monopoly or oligopoly control of the Internet access market.

As noted above, RBOCs such as Pacific Bell and Bell Atlantic have massive resources at their disposal sufficient to price Internet services far below cost in an effort to drive independent ISPs from the marketplace. Payment of above-cost access charges to these very LECs will only aggravate the pressure on the competitive marketplace.

^{20 &}lt;u>Cf.</u>, Third Computer Inquiry, <u>Report and Order</u>, 104 F.C.C. 2d 958, 1039-42 (1986) (subsequent history omitted) (nine equal access parameters for comparably efficient interconnection). We note that the <u>Computer III</u> integrated service offering approach for RBOC enhanced services is currently under Commission review. In the Matter of <u>Computer III</u> Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services, <u>Notice of Proposed Rulemaking</u>, CC Docket No. 95-20 (rel. Feb. 21, 1995).

First Report and Order and Further Notice of Proposed Rulemaking, CC Dkt. No. 96-149, FCC 96-489, at ¶ 258 (rel. Dec. 24, 1996).

^{22 &}lt;u>Id</u>. at ¶ 220.

III. SLC Caps Should Encourage Efficient Data Transport

PSINet believes that increases to the subscriber line charge cap for residences with second lines and for multi-line businesses (NPRM at ¶ 65) is neither a necessary nor desirable policy shift as the Commission reforms interstate voice access charges. Selective SLC cap increases can only create confusion as consumers' LEC bill would reflect that their data second line is more heavily taxed than their primary voice line. Moreover, for both residential and business users, an increase in the SLC would encourage potential arbitrage opportunities that capitalize on regulatory disparities, and thus discourage use of a potentially more efficient provider.²³ In PSINet's view, reform to the common line access charge regime should focus on bringing access charges to cost and moving those charges away from metered rates. Once those two goals are accomplished, there would be little need to raise the SLC caps. See Comments of MCI at 79 ("if loop costs are determined by economic costs, as they should be, the Commission's proposed increases in the EUCL cap will be moot, as the economic cost of the loop is well below the current cap.").

Moreover, PSINet joins in the vast majority of commenters opposed to assessing a separate SLC for each virtual ISDN channel. (See NPRM at ¶ 70.) PSINet agrees with CIX and others that a single SLC should be applied on a per-facility basis. In that way, each customer pays the same SLC for each loop it orders. If that customer then decides to increase the capacity of that line using ISDN, it can purchase those tariffed services from the incumbent LEC end office. The pricing of those ISDN services should be completely separate from the federally mandated recovery of the loop because the cost of the loop does not change as a result of the addition of ISDN service. Moreover, assessing the SLC on a per-facility basis effectively

For example, requiring the LEC to set higher SLC charges for second lines to residences provides opportunity for a less efficient alternative provider to enter the market with a lower priced service. While the LEC may be the more efficient provider, the multiple SLC would prevent the LEC from passing those efficiencies onto the consumer.

separates the costs of the loop from the ISDN service offering, which allows the LECs to compete more effectively with other providers of digital services. In addition, without complicated multiple SLC assessments, customers of those services can more easily assess the relative costs of those competing services.

Conclusion

PSINet urges the Commission to adopt its tentative conclusion that the current access charge regime should not be applied to Internet providers.

Respectfully submitted,

PSINet Inc.

Ronald LuPlesser

Mark J. O'Connor

James J. Halpert

Piper & Marbury L.L.P.

1200 Nineteenth Street, N.W.

Seventh Floor

Washington, D.C. 20036

202-861-3900

Its Attorneys

February 14, 1997

EXHIBIT 1

ISDN IntelliLinQ -- BRI Pricing Individual Line Business Service

IntellilinQ - BRI is an optional service enhancement for use with existing business line service. Dial access from the customer's premises is over the same two-wire cable pair that is used to provide voice business services today. For more information, call the Bell Atlantic ISDN Sales & Technology Center on **1-800-570-ISDN (4736)**, your local Account Executive, or Bell Atlantic Dealer Representative.

State	Monthly	Installation
Delaware ISDN-BRI (2B+D) service* Business Line** Total	\$19.49 \$25.90 - \$28.40 \$45.39 - \$47.89	\$80.42 \$61.00 \$141.42
District of Columbia ISDN-BRI (2B+D) service* Business Line** Total	\$19.50 \$14.66 \$34.16	\$37.00 \$83.25 \$120.25
Maryland ISDN-BRI (2B+D) service* Business Line** Total	\$19.50 \$16.84 - \$21.25 \$36.34 - \$40.75	\$34.00 \$98.50 \$132.50
New Jersey ISDN-BRI (2B+D) service* Business Line** Total	\$19.50 \$15.99 - \$18.28 \$35.49 - \$37.78	\$43.75 \$79.50 \$123.25
Pennsylvania ISDN-BRI (2B+D) service* Business Line** Total	\$19.50 \$11.83 - \$19.50 \$31.33 - \$39.00	\$94.75 \$75.00 \$169.75
Virginia ISDN-BRI (2B+D) service* Business Line** Total	\$19.50 \$14.50 - \$18.93 \$34.00 - \$38.43	\$36.00 \$64.00 \$100.00
West Virginia ISDN-BRI (2B+D) service* Business Line** Total	\$19.50 \$28.00 - \$30.50 \$47.50 - \$50.00	

Notes

- * * ISDN-BRI usage rates are \$.02/min for local circuit switched data calls or prevailing business line rates for local voice calls. Both voice and data toll calls on ISDN-BRI service will be billed at prevailing business line rates for voice toll calls. Usage rates are charged for originating calls only. All charges are per B channel in use.
- * ** Business Line Rates may vary depending upon location within state, usage options, selected and additional features ordered. Rates include FCC subscriber line charges. Installation Charge is only applicable if a new business line is ordered.

Back to How Do I Get It Menu

Bell Atlantic ISDN IntelliLinQ -- PRI Tariff Pricing

"Primary Rate Interface" (PRI) tariffs are undergoing changes. For more information, call the Bell

Atlantic ISDN Sales & Technology Center on 1-800-570-ISDN (4736), your local Account Executive, or Bell Atlantic Dealer

	Installation Charges for All States	Monthly Charges for						
	Except Delaware*	PA	DE	NJ	DC	VA	WV	MD
PRI Access Facility				4 - W				
Mo to mo 3 Years 5 Years	\$700 \$700 \$700	\$150 \$145 \$135	Note 1 Note 1 Note 1	\$150 \$145 \$135	\$150 \$145 \$135	\$150 \$145 \$135	\$150 \$145 \$135	\$150 \$145 \$135
23B+D	Ψ100	(4133	14010-1	J 133	Ψ133	Ψ133	Ψ133	Ψ133
Mo to mo 3 Years 5 Years	\$700 \$700 \$700	\$350 \$335 \$315	\$449.55 \$435.00 \$415.00	\$300 \$285 \$270	\$300 \$285 \$270	\$300 \$285 \$270	\$650 \$620 \$585	\$350 \$335 \$315
24B Mo to mo 3 Years 5 Years	\$700 \$700 \$700	\$350 \$335 \$315	\$449.55 \$435.00 \$415.00	\$300 \$285 \$270	\$300 \$285 \$270	\$300 \$285 \$270	\$650 \$620 \$585	\$350 \$335 \$315
23B+B U/D Mo to mo 3 Years 5 Years	\$700 \$700 \$700	\$400 \$380 \$360	\$499.50 \$480.00 \$460.00	\$350 \$335 \$315	\$350 \$335 \$315	\$350 \$335 \$315	\$700 \$665 \$630	\$400 \$380 \$360
Call by Call Mo to mo 3 Years 5 Years	\$100 \$100 \$100	\$75 \$73 \$71	\$74.92 \$73.00 \$71.00	\$75 \$73 \$71	\$75 \$73 \$71	\$75 \$73 \$71	\$75 \$73 \$71	\$75 \$73 \$71
Caller ID Mo to mo 3 Years 5 Years	\$100 \$100 \$100	\$100 \$95 \$90	\$99.90 \$95.00 \$90.00	\$100 \$95 \$90	\$100 \$95 \$90	\$100 \$95 \$90	\$100 \$95 \$90	\$100 \$95 \$90
Feature Pkg. Mo to mo 3 Years 5 Years	\$100 \$100 \$100	\$150 \$145 \$135	\$149.85 \$145.00 \$135.00	\$150 \$145 \$135	\$150 \$145 \$135	\$150 \$145 \$135	\$150 \$145 \$135	\$150 \$145 \$135
Individual Additional Tel. Number	\$25	\$3	\$3	\$3	\$3	\$3	\$3	\$3

^{*} For Delaware, the installation charges are as follows:

Note 1: Rates are as specified for 1.544 Mbps High Capacity Service in P.S.C.-Del.- No. 36, Section 6.6.

PRI consists of the access facility plus a choice of either 23B + D, 24B, or 23B + Backup D configuration. Optional features available are Call by Call selection, Caller ID, or a discount Feature Package consisting of Call by Call and Caller ID.

ISDN PRI service is available on a month-to-month basis as well as 3-year and 5-year contract terms. The prices above reflect the monthly charges for each option.

2 of 3 02/10/97 19:37:03

^{+ \$699.30} each for PRI Access Facility, 23B+D, 24B, and 23B+B/U D

^{+ \$ 99.00} each for Call By Call, Caller ID, and Feature Pkg.



ISDN - New York

This price list covers the basic service and ISDN add-ons you will need from NYNEX to begin using ISDN service. You will also need some equipment on your premises that NYNEX does not supply, such as computers, software, and the like. Although you'll probably be able to continue using most of your existing computer and telecommunications equipment, it's a good idea to consult with your computer or telecommuncations vendor before moving ahead, so you know what the available options are in case you have to upgrade older equipment or add to the equipment you already have.

NAMES.

Note: Click here for local usage rates in New York

If you are a reseller or authorized sales agent, use <u>Adobe's Acrobat</u> to download and view New York ISDN <u>primary</u> and <u>basic</u> rates and options.

nynex.com

Navigate

Products & Services New Line Installation Charges Basic Telephone Service plus ISDN Basic Service (2B + D)

Who We Are

BigYellow

ISDN

Stock Ouotes

Feedback

	Business Service	Residence Measured Service
Premises installation (per line) Total	\$325.00 \$325.00	\$234.00 \$234.00
Virtual Service Arrangement (if nec.) Total	\$75.00 \$400.00	\$75.00 \$309.00

Note: Upgrading an existing business or residential line to ISDN service will cost less than the charges given here for a totally new installation. If no premises visit is required, the upgrade charge is \$82.05 for business customers and \$42.05 for residential customers, plus ISDN installation charges of \$35 for basic (2B + D) ISDN service. When you place your order, the NYNEX sales representative will give you exact costs for your specific installation.

Recurring Monthly Charges (New Line)

	Business Service	Residence Measured Service
Line charges	\$22.23	\$10.10
Basic Service (2B + D) ISDN charges	\$14.00	\$14.00
Total	\$36.23	\$24.10
Virtual Service Arrangement (if nec.)	\$10.00	\$10.00
Total	\$46.23	\$34.20

Three month minimum charges apply.

Request More Information Now!

ISDN Home

return to fastrak primary

search center



Fastrak " Primary Rate ISON

Pricing and Availability

Because FasTrak ISDN uses existing infrastructure, most homes and businesses are ISDN-ready right now. The service is available in most of California. Call 1-800-704-INFO to check availability in your area.

For businesses and home offices, the charges are:

Package 1: 23B+D \$750 installation, \$220 per month*

Package 2: 24B \$750 installation, \$220 per month*

Package 3: 23B+backup D channel \$750 installation, \$270 per month*

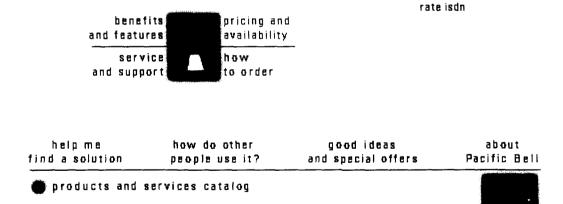
B channel is 64 Kbps for data or voice

D channel is for signaling only

contact us

Backup D channel is available in case the facility with the main signaling channel goes down

* does not include price of a DS1 or DS3 line.



Copyright © 1997 Pacific Bell. All Rights Reserved.



FasTrak [™] Home ISDN

Pricing and Availability

Monthly Service for *FasTrak Home ISDN* costs \$24.50. There is a one-time installation charge of \$34.75 for the line, and a one-time installation charge of \$125 for the ISDN service.

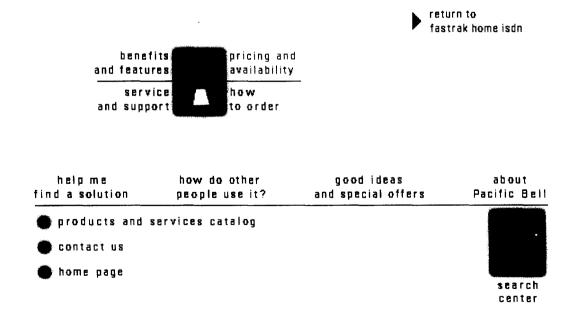
Local Usage is billed at <u>regular business rates</u> Mon-Fri 8am-5pm. All other times, Zone 1 and 2 usage is flat-rated. These rates apply to each B-Channel used.

Local Plus Usage is billed at regular Pacific Bell Local Plus rates. Rates apply to each B-Channel used.

Availability

To find out if *FasTrak ISDN* is available in your area, call our automated line at 1-800-704-INFO.

FasTrak Home ISDN is provided through a standard 1MR (Measured Residence) line and is available to virtually all Pacific Bell customers, either through a digital switch in their area's central office, or through the Alternate Serving Arrangement which links them to ISDN in a neighboring Pacific Bell location. (Alternate serving arrangements may require a telephone number which is different than those in the local exchange.)



Copyright © 1997 Pacific Bell. All Rights Reserved.



Fastrak "Business ISON

Pricing and Availability

Because FasTrak Business ISDN uses existing infrastructure, most homes and businesses are ISDN-ready right now. The service is available in most of California. To check availability in your area, call 1-800-704-INFO.

For businesses and home offices, the charges are:

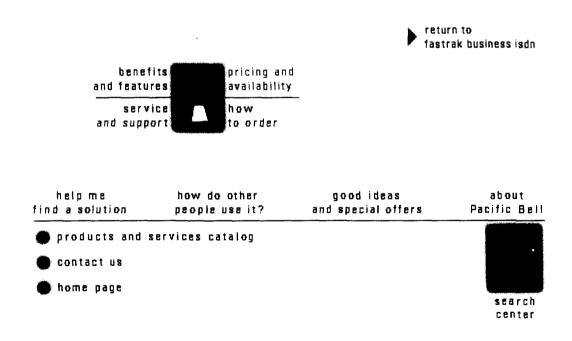
\$70.75 -- one-time line installation charge, plus

\$125.00 -- one-time ISDN installation charge, plus

\$24.82 -- monthly service (for single business line), or

\$26.05 -- monthly service (multiple business lines)

Usage is billed at <u>regular business rates</u>. Rates apply to each B-Channel used.



Copyright © 1997 Pacific Bell. All Rights Reserved.

l of 1 02/10/97 14:23:16



Special Offers

Pacific Bell Home PackSM

Pacific Bell ISDN -- Basic Rate Interface Installation

ISDN -- Single line ISDN for business

Installation: \$125.00 (add \$70.75 if new business line) Monthly: \$26.05 + usage (\$24.82 if single line)

Home ISDN -- Single line ISDN for home

Installation: \$125.00 (add \$34.75 if new residence line)

Monthly: \$24.50 + <u>usage</u>*

Pacific Bell Internet

(2B-channel, 128 Kbps access)

Installation: \$49.95

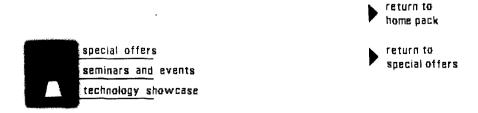
Monthly: \$49.95 (unlimited access)

3ComImpact IQ External ISDN Modem

PC Format -- includes external ISDN modem cables**, help CD-ROM and video, User's Guide, 15-day return policy \$329 (after \$50 Nortel/Lucent rebate).

Shipping and Handling via UPS \$10.95 (Local taxes apply)

- *Usage charged between 8 a.m. and 5 p.m., Monday through Friday. All prices subject to change, pending CPUC approval.
- **Macintosh cable available for \$10. Applicable to Macintosh orders only.



ZUM and Local Plus

If you are in an area that has **ZUM** calling prices, your calls to nearby areas are charged the following prices:

		D	Day Evening (1)		ng (1)	Night and Weekend (2)		
Zone	Mileage	1st Min.	Addl. Min.	1st Min.	Addl. Min.	1st Min	Addl. Min.	
1	0-7.99	\$0.0333	\$0.0105	\$0.0233	\$0.0073	\$0.0133	\$0.0042	
2	8.01-12.99	\$0.0333	\$0.0105	\$0.0233	\$0.0073	\$0.0133	\$0.0042	
3	13.01-16.00	\$0.0808	\$0.0181	\$0.0565	\$0.0126	\$0.0323	\$0.0072	

Zone Usage and <u>Local Plus</u> Charges (Note: 13-16 mile prices replaced by ZUM prices if you are in a ZUM area).

	Day		Evening (1)			d Weekend (2)
Mileage	1st Min.	Addl. Min.	1st Min.	Addl. Min.	1st Min .	Addl. Min.
13-16	\$0.114	\$0.070	\$0.0914	\$0.0560	\$0.0684	\$0.0420
17-20	\$0.114	\$0.070	\$0.0914	\$0.0560	\$0.0684	\$0.0420
21-25	\$0.136	\$0.114	\$0.1088	\$0.0912	\$0.0816	\$0.0684
26-30	\$0.136	\$0.114	\$0.1088	\$0.0912	\$0.0816	\$0.0684
31-40	\$0.136	\$0.114	\$0.1088	\$0.0912	\$0.0816	\$0.0684
41-50	\$0.147	\$0.125	\$0.1176	\$0.1000	\$0.0882	\$0.0750
51-70	\$0.147	\$0.125	\$0.1176	\$0.1000	\$0.0882	\$0.0750
over 70	\$0.147	\$0.136	\$0.1176	\$0.1088	\$0.0882	\$0.0816

Note that for service area calls: Up to 12 miles = Local; 12-16 miles = Zone Usage; all other service area calls = $Local\ Plus$. A call outside a service area is a long-distance call. Pacific Bell provides service within a service area. Where services are provided across service area boundries, Pacific Bell works with the long-distance company of the customer's choice.

- (1) Monday-Friday, 5 p.m. to 11 p.m.
- (2) Monday-Friday, 11 p.m. to 8 a.m. plus Saturday, Sunday and holidays.

Note that usage rates are per "B" channel.





Arizona ISDN Primary Rate Service

	Monthly Rate	3 Year Service Agreement Monthly Rate 5 Year Service Agreement Monthly Rate		NonRecurring Charge
ARIZONA		THE COLOR OF THE C	The state of the s	
Voice/Data PRS				
T1 Facility Service Configuration 23 Two Way B Chann DID Trunk Terminatio	el \$690.00	\$126.90 \$400.00 \$690.00 \$920.00	\$109.98 \$400.00 \$690.00 \$920.00	\$900.00 \$1,025.00 \$897.00 \$1,150.00
TOTAL	\$2,160.00	\$2,136.90	\$2,119.98	\$3,972.00

B channel monthly rates are not usage sensitive. Additional charges may apply for federal, state, and/or city tax. Monthly rates and nonrecurring charges detailed above do not include CPE. Prices are subject to change. Data Only PRS tariff is planned but pending.

Standard Features

- Delivery of incoming calling line identification (where SS7 and U S WEST CLASS features are deployed)
- Support of circuit switched data of the B channel
- Up to eight PRS facilities can be supported by one D channel
- D channel back up
- Circuit switched data only PRS (limited availability)

ISDN Page | FAQ | Availability | Pricing | How to Order

